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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.



Art Unit: 3695

### **DETAILED ACTION**

1. This office action is in response to applicants' communication filed on January 8, 2009.

Amendments to claim 9 have been entered. Claims 1-9, 26-32 and 40 are pending in the application and have been examined. The rejections and response to arguments are stated below.

#### ***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

3. Claims 1-9, 26-32 and 40 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter, which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. In particular, claims 1 and 9 rejected under 35 U.S.C. § 112, first paragraph, because the specification does not provide a written description disclosure to support the claimed limitation of "inputting the credit bureau data and the account information to a risk model" (emphasis added). While the specification discloses "the scoring model module 44 includes software that takes either some [or] all of the data acquired by the application server 22 and the modules 26, 30, 34, 38, and 42 connected thereto and provides a score or scores for each applicant based on an algorithm that defines a risk model", one of ordinary skill in the art would not be lead to conclude that this description implies "inputting the credit bureau data and the account information to a risk model". Dependent claims are rejected by way of dependency on a rejected independent claim.

Art Unit: 3695

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 1-8, and 40 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

The preamble of claim 1 recites “a computer-implemented method”. However it is not clear which steps of the method are implemented by the computer. Hence the scope of the claim is not clear. Dependent claims are rejected based on similar reasoning and by way of dependency on a rejected claim. Appropriate correction is required.

The art rejections given below are interpreted in light of 35 U.S.C. § 112, rejections discussed above.

***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-9, 26-32 and 40 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory Subject matter.

35 USC 101 requires that in order to be patentable the invention must be a **"new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof"** (emphasis added).

Claims 1-8 and 40 recite a process comprising the steps of electronically accessing, inputting data, electronically generating a score and determining whether to open the financial

Art Unit: 3695

account. These steps are interpreted to include manually performed steps also. For instance a user can use a computer to electronically access data. Based on Supreme Court precedent, a proper process must be tied to another statutory class or transform underlying subject matter to a different state or thing (*Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)). Since neither of these requirements is met by the claim, the method is not considered a patent eligible process under 35 U.S.C. 101. To qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example by identifying the apparatus that accomplished the method steps or positively reciting the subject matter that is being transformed, for example by identifying the material that is being changed to a different state. The steps of the method of claims 1-8 and 40 are untied to another category of statutory subject matter and hence the claimed invention does not qualify as a process under 35 U.S.C 101. Recitation of a computer in the preamble is not sufficient to overcome the 101 rejection. The particular machine must be recited in the body of the claim in order for the recitation to be given patentable weight.

Claims 9 and 26-32 of the disclosed invention is inoperative and therefore lacks utility. Claims 9 and 26-32 are drawn to “a computer-readable medium storing computer-readable instructions for evaluating a financial account applicant, the instructions directing the computer to perform the acts of: accessing credit bureau data for the applicant; accessing account information for the applicant; inputting the credit bureau data and the account information to a risk model; generating a score for the applicant from an output of the risk model; and determining whether to open the financial account based on the score”. The computer readable

Art Unit: 3695

medium is interpreted broadly to include an intangible medium. Claims 9 and 26-32 merely recite elements of a computer readable medium (“code segments” correspond to software program elements and not tangible hardware components) without showing any ability to realize functionality of the recited elements (i.e. functional descriptive material per se) and therefore is rendered inoperative lacking any utility. Note that a computer (or software program) code cannot by itself perform the underlying function until it is loaded on some computer readable memory and accessed by the computer (or a processor). Functional descriptive material, per se, is not statutory. This is exemplified in *In re Warmerdam* 31 USPQ2d 1754 where the rejection of a claim to a disembodied data structure was affirmed. Thus a claim to a data structure, per se, or other functional descriptive material, including computer programs, per se, is not patent eligible subject matter.

### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-9, 26-32 and 40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al (US Patent 6,088,686) in view of Basch et al (US Patent 6,119,103).

Claims 1, 4, 5, and 40, Walker teaches a method comprising the acts of: electronically accessing credit bureau data for the applicant (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54); electronically

Art Unit: 3695

accessing account information for the applicant (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54); electronically generating a score for the applicant (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54); and determining whether to open the financial account based on the score (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54). The step of accessing credit bureau data for the applicant, inputting the credit bureau data and the account information to a risk model and generating a score for the applicant from an output of the risk model is inherent in the disclosure of Walker. For instance Walker discloses in the abstract “The system automates many steps in the credit and liability review and approval process, performs background credit worthiness evaluations based upon a applicant's credit score, financial information and new or existing relationship with the financial institution, recommends to those applicants who exceed the initial criteria for credit consideration specific credit products with predetermined credit qualified offer amounts”. Walker also discloses “the system immediately analyzes an applicant's credit bureau history, automated credit scoring, credit policies and the applicant's new or existing relationship with the financial institution, if any, and provides these results to the LBR in a summarized format”. Analysis of applicant's credit bureau history and the applicant's new or existing relationship with the financial institution implies a risk model and inputting the credit bureau data and the account information to a risk model. Further the automated credit scoring implies generating a score for the applicant from an output of the risk model.

Art Unit: 3695

In the alternative, Basch teaches the steps of inputting the credit bureau data and the account information to a risk model and generating a score for the applicant from an output of the risk model (See the entire document of Basch especially Figure 1 Column 5 lines 11-16, 21-29, Column 6 line 64 - Column 8 line 2 and Column 9 lines 22-37). Basch receives credit bureau data (See the entire document of Basch especially Column 7 lines 64-66) and account information (See the entire document of Basch especially Column 7 lines 15-29) which are input to the Financial risk prediction system (FRPS). Scores are generated using the predictive models already created by the system. A computer-readable medium storing computer-readable instructions for generating a score and the score being a numerical score is inherent in the disclosure of Basch. Considering demographic data including income and home ownership in making decisions is old and well known in the art.

In the alternative, it would have been obvious to one with ordinary skill in the art at the time of the current invention to include these steps to the disclosure of Walker. The combination of the disclosures taken as a whole suggests that Financial Institutions would have benefited from the early warnings about the risks associated with opening an account.

Claims 9, 28 and 29, Walker teaches a computer-readable medium storing computer-readable instructions for evaluating a financial account applicant for a new financial account, the instructions directing the computer to perform the acts of: accessing a computer network to retrieve credit bureau data for the applicant based on information related to the applicant input to the computer (See Walker Figure 1 and Column 12 line 35 – Column 13 line 2); accessing the computer network to retrieve a collection of data related to historical financial account information for the applicant based on information related to the applicant input to the computer



Art Unit: 3695

(See Walker Figure 1 and Column 12 line 35 – Column 13 line 2); inputting the credit bureau data and the historical financial account information to a risk model stored within the computer-readable medium (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54); generating a score for the applicant from an output of the risk model (See the entire document of Walker especially Abstract, Column 1 lines 33-40, Column 2 lines 1-21 and Column 3 lines 49-54); and determining whether to open the new financial account based on the score. For instance Walker discloses in the abstract “The system automates many steps in the credit and liability review and approval process, performs background credit worthiness evaluations based upon a applicant's credit score, financial information and new or existing relationship with the financial institution, recommends to those applicants who exceed the initial criteria for credit consideration specific credit products with predetermined credit qualified offer amounts”. Walker also discloses “the system immediately analyzes an applicant's credit bureau history, automated credit scoring, credit policies and the applicant's new or existing relationship with the financial institution, if any, and provides these results to the LBR in a summarized format”. Analysis of applicant's credit bureau history and the applicant's new or existing relationship with the financial institution implies a risk model and inputting the credit bureau data and the account information to a risk model. Further the automated credit scoring implies generating a score for the applicant from an output of the risk model. The computerized system of Walker implies a computer-readable medium storing computer-readable instructions for performing the steps listed in the claim. Walker also discloses using customer demographic data in its decision making (See Walker Column 12 line 37 – Column 13 line 3).

Art Unit: 3695

In the alternative, Basch teaches the steps of inputting the credit bureau data and the account information to a risk model and generating a score for the applicant from an output of the risk model (See the entire document of Basch especially Figure 1 Column 5 lines 11-16, 21-29, Column 6 line 64 - Column 8 line 2 and Column 9 lines 22-37). Basch receives credit bureau data (See the entire document of Basch especially Column 7 lines 64-66) and account information (See the entire document of Basch especially Column 7 lines 15-29) which are input to the Financial risk prediction system (FRPS). Scores are generated using the predictive models already created by the system. A computer-readable medium storing computer-readable instructions for generating a score and the score being a numerical score is inherent in the disclosure of Basch. Considering demographic data including income and home ownership in making decisions is also old and well known in the art.

Claims 2, 3, 6, 26, 27 and 30 Walker teaches a method and a computer- readable medium storing computer-readable instructions of claims 1 and 9 respectively, wherein the act of determining whether to open the financial account includes the acts of establishing electronic guidelines for the financial institution and comparing the guidelines against the score to evaluate whether to accept the application and further comprising the acts of establishing electronic guidelines for the financial institution and comparing the guidelines against the score to evaluate whether to offer additional products and services of the financial institution to the applicant (See Walker Column 2 lines 1-38). The steps of establishing electronic guidelines and comparing the guidelines against the score are inherent in the disclosure of Walker. Also Walker discloses the act of performing a preliminary financial account information database search (See the entire disclosure of Walker especially Column 2 lines 23-38). In this cited portion Walker discloses

Art Unit: 3695

“The system and method of the present invention involves the unique processing of a new or existing customer relationship (blocks 18, 20 and 22) into the credit decision request. This feature enables the ability to provide new or existing customers (block 10) with an up-front conditional approval (based on systematic evaluation of credit bureau history, credit score, debt burden, credit policies and the customer's relationship with the financial institution), subject to required verifications”. The upfront conditional approval and subject to required verifications implies the act of performing a preliminary financial account information database search.

Claims 7-8 and 31-32, Walker does not explicitly teach the steps of performing a denying the applicant if the preliminary database search establishes that the applicant had prior problems with their accounts or obtaining one.

Official notice is taken that the steps denying the applicant if the preliminary database search establishes that the applicant had prior problems with their accounts or obtaining one are old and well known in the art. Denying the applicant if the preliminary financial account database search establishes that the applicant had a previous financial account closed “for cause” or denying the applicant if the preliminary financial account database search establishes that the applicant has submitted more than a specified number of financial account applications to financial institutions within a given period of time are ways used by Financial institutions to minimize risk of fraud. These steps help financial institutions screen applicants who may be bad risk for the financial institution.

It would have been obvious to one with ordinary skill in the art at the time of the current invention to include these steps to the disclosure of Walker. The combination of the disclosures

Art Unit: 3695

taken as a whole suggests that Financial Institutions would have benefited from early screening of applicants who may be bad risk for the financial institution.

Note is taken by the examiner that should the applicant find objectionable any statements made herein by the examiner regarding obviousness or Official Notice, Applicant can make a proper challenge to those statements only by providing adequate information or argument so that on its face it creates a reasonable doubt regarding the circumstances justifying those statements: a simple response requesting a reference without doing so, or a response that fails to logically refute the basic assumptions underlying the justification, will result in an improper and failed challenge and those unchallenged statements will remain the record of the case. Applicants must seasonably challenge those statements in the first response following an Office Action. If an applicant fails to do so, his right to challenge them is waived.

#### ***Response to Arguments***

6. Applicant's other arguments with respect to pending claims have been considered but are not persuasive.

#### ***Conclusion***

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on

Art Unit: 3695

the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Narayanswamy Subramanian whose telephone number is (571) 272-6751. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles R. Kyle can be reached at (571) 272-6746. The fax number for Formal or Official faxes and Draft to the Patent Office is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PMR or Public PAIR. Status information for unpublished applications is available through Private PMR only. For more information about the PMR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

/Narayanswamy Subramanian/  
Primary Examiner  
Art Unit 3695

March 30, 2009